RECORD AND BRIEFS

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IN THE
Supreme Court of the United States

OIL STATES ENERGY SERVICES, LLC,
Petitioner,

v.

GREENE'S ENERGY GROUP, LLC, ET AL.,
Respondents.

On Writ of Certiorari to the United States Court of Appeals for the Federal Circuit

ALLIANCE OF AUTOMOBILE MANUFACTURERS *AMICUS CURIAE* BRIEF SUPPORTING RESPONDENTS

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TABLE OF CONTENTS

Page

TABLE OF AUTHORITIES ii

INTEREST OF *AMICUS CURIAE* 1

INTRODUCTION AND SUMMARY 2

ARGUMENT 6

I. PATENT RIGHTS ARE DIFFERENT FROM ORDINARY PRIVATE PROPERTY RIGHTS 6

A. Congress Has Broad Authority To Define the Substance and Procedure That Govern Patent Rights 6

B. Patents Pose Unique Risks to the Property and Contract Rights of Others 12

C. *Inter Partes* Review Reflects the Proper Separation of Powers 14

II. THIS CASE IS NOT A GOOD VEHICLE TO RECONSIDER PUBLIC-RIGHTS DOCTRINE 17

CONCLUSION 18

TABLE OF AUTHORITIES

Page

CASES

B&B Hardware, Inc. v. Hargis Indus., Inc., 135 S. Ct. 1293 (2015) 6-7

CFTC v. Schor, 478 U.S. 833 (1986) 2

Cowell v. Colorado Springs Co., 100 U.S. 55 (1879) 10

Crowell v. Benson, 285 U.S. 22 (1932) 2

Cuozzo Speed Techs., LLC v. Lee, 136 S. Ct. 2131 (2016) 2, 16

Gayler v. Wilder, 51 U.S. (10 How.) 477 (1851) 7

Halo Elecs., Inc. v. Pulse Elecs., Inc., 136 S. Ct. 1923 (2016) 13

Magoun v. Illinois Trust & Sav. Bank, 170 U.S. 283 (1898) 10

Microsoft Corp. v. i4i Ltd. P'ship, 564 U.S. 91 (2011) 16

Murray's Lessee v. Hoboken Land & Improvement Co., 59 U.S. (18 How.) 272 (1856) 2

Precision Instrument Mfg. Co. v. Automotive Maint. Mach. Co., 324 U.S. 806 (1945) 12

Shaw v. Cooper, 32 U.S. (7 Pet.) 292 (1833) 12

Stern v. Marshall, 564 U.S. 462 (2011) 11

Teva Pharm. USA, Inc. v. Sandoz, Inc., 135 S. Ct. 831 (2015) 8

Thomas v. Union Carbide Agric. Prods. Co., 473 U.S. 568 (1985) 2

Trade-Mark Cases, In re, 100 U.S. 82 (1879) 7

Wellness Int'l Network, Ltd. v. Sharif, 135 S. Ct. 1932 (2015) 2, 3, 11

Wheaton v. Peters, 33 U.S. (8 Pet.) 591 (1834) 7

CONSTITUTION, STATUTES, AND RULES

U.S. Const.:

Art. I, § 8, cl. 8 (Intellectual Property Clause) ... 4, 6, 7, 9, 12

Art. II, § 3 15

Art. III 2

Amend. V (Due Process Clause) 17

Act of Apr. 10, 1790, ch. 7, 1 Stat. 109 (Patent Act of 1790) 11

§ 1, 1 Stat. 109-10 11

Leahy-Smith America Invents Act, Pub. L. No. 112-29, 125 Stat. 284 5

Patent Act (35 U.S.C.) 6, 9, 11, 16, 17

35 U.S.C. §§ 102-103 14

35 U.S.C. § 261 9

35 U.S.C. § 303(a) 11

35 U.S.C. §§ 311-319 9

35 U.S.C. §§ 321-329 5

Statute of Monopolies of 1624, 21 Jac. 1, ch. 3 8

37 C.F.R. §§ 42.300-42.304 5

Sup. Ct. R.:

Rule 37.3(a) 1

Rule 37.6 1

OTHER MATERIALS

Oren Bracha, *The Commodification of Patents 1600-1836: How Patents Became Rights and Why We Should Care*, 38 LOY. L.A. L. REV. 177 (2004) 8, 12

DEBATES ON THE ADOPTION OF THE CONSTITUTION AS REPORTED BY JAMES MADISON: SUPPLEMENTARY TO ELLIOT'S DEBATES (Jonathan Elliot ed., 1836), *available at* http://lf-oll.s3.amazonaws.com/titles/1909/1314.05_Bk.pdf 9

Richard A. Epstein, *No New Property*, 56 BROOKLYN L. REV. 747 (1990) 13

WILLIAM M. HINDMARCH, A TREATISE ON THE LAW RELATIVE TO PATENT PRIVILEGES FOR THE SOLE USE OF INVENTIONS (1847) 8

Herbert Hovenkamp, *The Emergence of Classical American Patent Law*, 58 ARIZ. L. REV. 263 (2016) 9

Peter Huber, *Exorcists vs. Gatekeepers in Risk Regulation*, 7 REGULATION 23 (Nov.-Dec. 1983) 15

Letter from Thomas Jefferson to Isaac McPherson (Aug. 13, 1813), *reprinted in* 3 THE FOUNDERS' CONSTITUTION 42 (Philip B. Kurland & Ralph Lerner eds., Univ. of Chicago Press 1987) 8

EDWARD C. WALTERSCHEID, THE NATURE OF THE INTELLECTUAL PROPERTY CLAUSE: A STUDY IN HISTORICAL PERSPECTIVE (2002) 9

INTEREST OF *AMICUS CURIAE*[1]

The Alliance of Automobile Manufacturers is a nonprofit trade association whose mission is to promote sustainable mobility and benefit society in the areas of environment, energy, and motor vehicle safety. The Alliance's members, which represent 70 percent of all car and light truck sales in the United States, are BMW Group; FCA US, LLC; Ford Motor Company; General Motors Company; Jaguar Land Rover; Mazda North American Operations; Mercedes-Benz USA; Mitsubishi Motors; Porsche Cars North America, Inc.; Toyota; Volkswagen Group of America, Inc.; and Volvo Cars USA.

The Alliance's members hold more than one hundred thousand patents. As major patent holders, auto manufacturers have a strong interest in ensuring robust legal protection for validly issued patents. Auto manufacturers also face frequent lawsuits alleging patent infringement, many of which are filed by non-practicing entities claiming violations of patents that are not valid and should never have been issued.

In the experience of the Alliance's members, *inter partes* review provides a fair, efficient, and cost-effective procedure for both patentees and alleged infringers. The elimination of *inter partes* review would result in increased litigation costs, slower

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[1] Pursuant to Supreme Court Rule 37.6, counsel for *amicus* represent that they authored this brief in its entirety and that none of the parties or their counsel, nor any other person or entity other than *amicus* or its counsel, made a monetary contribution intended to fund the preparation or submission of this brief. Pursuant to Rule 37.3(a), counsel for *amicus* also represent that all parties have consented to the filing of this brief; letters reflecting their blanket consent to the filing of *amicus* briefs are on file with the Clerk.

adjudication, and more settlements of dubious claims that would be expensive to litigate. That, in turn, would reduce innovation and dynamism in the auto industry, harming manufacturers and consumers alike.

INTRODUCTION AND SUMMARY

This Court has never held that an Executive agency's adjudicative procedures unlawfully usurped the power vested exclusively in Article III courts by the Constitution. *See, e.g., CFTC v. Schor*, 478 U.S. 833 (1986); *Thomas v. Union Carbide Agric. Prods. Co.*, 473 U.S. 568 (1985); *Crowell v. Benson*, 285 U.S. 22 (1932); *Murray's Lessee v. Hoboken Land & Improvement Co.*, 59 U.S. (18 How.) 272 (1856). Under modern public-rights doctrine, the Court has upheld agency adjudication of questions "so closely integrated into a public regulatory scheme as to be a matter appropriate for agency resolution." *Thomas*, 473 U.S. at 593-94. As Greene's Energy and the government ably demonstrate, because the "basic purpose[]" of *inter partes* review is "to reexamine an earlier agency decision," *Cuozzo Speed Techs., LLC v. Lee*, 136 S. Ct. 2131, 2144 (2016), *inter partes* review falls cleanly within the scope of the public-rights doctrine as that doctrine is expressed by this Court's cases. *See* Greene's Energy Br. 29-39; Gov't Br. 16-18, 32-36. *Amicus* does not intend to repeat those arguments here.

The Court's public-rights cases are not, however, without their critics. Some members of this Court have suggested that, in an appropriate case, they might revisit that body of law. *See Wellness Int'l Network, Ltd. v. Sharif*, 135 S. Ct. 1932, 1964-65, 1967 (2015) (Thomas, J., dissenting) (observing that "the contours of the 'public rights' doctrine have been

the source of much confusion and controversy," and arguing for a "return to the historical understanding of 'public rights'"); *see also id.* at 1949 (Alito, J., concurring in part and concurring in the judgment) ("Whatever one thinks of *Schor*, it is still the law of this Court, and the parties do not ask us to revisit it."). Here, petitioner's brief goes through the motions of distinguishing existing public-rights cases, *see* Pet. Br. 27-38, but on the whole can be fairly described as asking the Court to revisit the law and narrow the authority of administrative agencies to decide controversies between private parties, *id.* at 39 (arguing that public-rights doctrine as articulated by Greene's Energy and the government is "so capacious" that it "cannot be reconciled with Article III").

To the extent the Court may be inclined to revisit the public-rights doctrine, this case is not the appropriate vehicle for that project. To the contrary, *inter partes* review of patents would be a particularly unsuitable context for a holding that would substantially restrict agency authority. Such review does not implicate any of the most serious separation-of-powers concerns that animate critiques of the public-rights doctrine. And there are particularly good reasons – not only policy reasons, but also constitutional ones – that Congress is able and should be able to authorize the Patent Office to conduct a proceeding in which the agency corrects its own mistakes and invalidates patents that never should have issued.

Patent rights are different in important (and constitutionally significant) ways from other property interests, and the scope of constitutionally permissible agency adjudication may vary based on the property interest at stake. In regulating patents,

Congress acts subject to express constitutional authority to define the scope of the patent right. Because patents are not common-law or natural rights, Congress is free to craft the property right in patents in whatever way it believes will best "promote the Progress of [the] . . . useful Arts." U.S. Const. art. I, § 8, cl. 8.

Furthermore, special care in delimiting patent rights is essential because patents carry a special risk of intruding on others' freedom of action by making tortious what previously had been lawful commercial conduct. Where a patented invention represents genuine innovation – i.e., it is truly novel and not obvious in light of prior art – the grant of the patent is much less likely to intrude on others' rights because potential infringers will not have made substantial investments in infringing products or services. Where, however, the Patent Office mistakenly grants a patent, the intrusion on others' rights can be far more substantial.

The Patent Office's ability to reexamine weak patents through *inter partes* review reinforces the separation of powers. By allowing the Executive to correct its own mistakes in applying congressionally mandated limitations on the power to grant patents, *inter partes* review respects the Executive's duty to ensure that it is following the law and reduces friction between the Executive and Legislative Branches.

If the Court were to resolve this case from constitutional first principles (rather than resolving it under existing precedent that petitioner stops short of expressly challenging), then it should account for the constitutional rights of accused infringers as well as those of patent-holders. As *amicus* can say from

experience, a company accused of patent infringement frequently stands to lose very substantial investments in products and services that use (or allegedly use) technologies that the Patent Office has awarded exclusively to someone else without giving notice or providing a hearing to those who may already be using such technologies.[2] That *ex parte* administrative award is presumptively valid in court, so that accused infringers must come forward with clear and convincing evidence that a patent is invalid in order to protect existing contract and property rights that are thrown into question by a patent grant.

This Court has justified the judicial presumption in favor of patent validity by pointing to the Patent Office's expertise in examining and granting patents. Under existing law, although an accused infringer had no opportunity to be heard by the Patent Office in the first instance, it can at least avail itself of such an opportunity under *inter partes* review (as it could have under that procedure's predecessors). If, however, the Court were to hold that the Patent Office has no authority to revisit patent grants, it would undermine that justification – creating, at least, a

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[2] The Leahy-Smith America Invents Act also provided for two additional processes by which the Patent Office can review improperly granted patents: post-grant review, which is procedurally similar to *inter partes* review in many respects but can be undertaken only within nine months of a patent's issuance, and covered business method patent review, a transitional program that applies exclusively to covered business method patents. *See* 35 U.S.C. §§ 321-329 (describing post-grant review procedures); 37 C.F.R. §§ 42.300-42.304 (describing covered business method patent review procedures). Petitioner does not challenge post-grant review or covered business method patent review, though petitioner's arguments appear to foreclose *any* post-issuance review of a patent by the Patent Office as unconstitutional.

substantial constitutional question whether due process permits an accused infringer's property to be taken from it and given to a patentee simply because the accused infringer could not produce clear and convincing evidence that the patent was granted in contravention of the Patent Act.

ARGUMENT

I. PATENT RIGHTS ARE DIFFERENT FROM ORDINARY PRIVATE PROPERTY RIGHTS

A. Congress Has Broad Authority To Define the Substance and Procedure That Govern Patent Rights

The Constitution's text imposes few restrictions on Congress's authority to grant patents or define the scope of the property rights that accompany them. The Intellectual Property Clause gives "Congress . . . [the] Power . . . [t]o promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries." Art. I, § 8, cl. 8. The Clause does not mention property, or even patents. The only two restrictions the Clause places on Congress – the purpose of the grant must be to "promote the Progress of Science and useful Arts" and the exclusive grant must be for a "limited Time[]" – provide no constraints on whether Congress may authorize post-grant administrative review of an improperly granted patent.

Nor does the common law (as understood at the time of the Framing) impose implicit limitations on Congress's power to define patent rights.[3] The Intel-

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[3] This well-established point distinguishes patent rights from other intellectual property rights, such as copyright and trademark, which did have common-law antecedents. *See, e.g., B&B*

lectual Property Clause gives Congress the "[p]ower" – but not any obligation – to grant patents, which would be inconsistent with a view of patent rights as preexisting the legislative grant. The suggestion that "securing . . . the exclusive [r]ight" to a patent implies a preexisting right to be "secure[d]" was put to rest by this Court almost 200 years ago. *See Wheaton v. Peters*, 33 U.S. (8 Pet.) 591, 661 (1834) ("[I]t has never been pretended by any one, either in this country or in England, that an inventor has a perpetual right, at common law, to sell the thing invented."); *see also Gayler v. Wilder*, 51 U.S. (10 How.) 477, 494 (1851) ("The [patent] monopoly did not exist at common law, and the rights, therefore, which may be exercised under it cannot be regulated by the rules of the common law. It is created by the act of Congress; and no rights can be acquired in it unless authorized by statute, and in the manner the statute prescribes.").[4]

Hardware, Inc. v. Hargis Indus., Inc., 135 S. Ct. 1293, 1317 (2015) (Thomas, J., dissenting) ("[T]he exclusive right to use a trademark 'was not created by the act of Congress, and does not now depend upon it for its enforcement. The whole system of trade-mark property and the civil remedies for its protection existed long anterior to that act, and have remained in full force since its passage.'") (quoting *In re Trade-Mark Cases*, 100 U.S. 82, 92 (1879)).

[4] Thomas Jefferson – no stranger to natural rights philosophy – famously explained why inventions are not Lockean property rights: "If nature has made any one thing less susceptible than all others of exclusive property, it is the action of the thinking power called an idea .... Its peculiar character, too, is that no one possesses the less, because every other possesses the whole of it. ... Inventions then cannot, in nature, be a subject of property. Society may give an exclusive right to the profits arising from them, as an encouragement to men to pursue ideas which may produce utility, but this may or may not be done,

Patent law from the time of the Framing confirms that inventors have no common-law or preexisting natural right to any specific kind of property in their inventions. In England, "[i]nvention patents originated not as private property rights, but as royal prerogatives" that, even under the Statute of Monopolies of 1624, "remained sovereign grants, issued, enforced, and revoked by the Privy Council." *Teva Pharm. USA, Inc. v. Sandoz, Inc.*, 135 S. Ct. 831, 847 (2015) (Thomas, J., dissenting); *see* WILLIAM M. HINDMARCH, A TREATISE ON THE LAW RELATIVE TO PATENT PRIVILEGES FOR THE SOLE USE OF INVENTIONS 3 (1847) ("inventors are *never entitled as of right* to letters patent, granting them the sole use of their inventions, but they must obtain them from the Crown by petition, and *as a matter of grace and favour*"). Likewise, colonial legislatures granted patents when, in their discretion, they deemed the invention to be in the public interest. *See* Oren Bracha, *The Commodification of Patents 1600-1836: How Patents Became Rights and Why We Should Care*, 38 LOY. L.A. L. REV. 177, 212 (2004) ("Colonial grants were deeply rooted in the patent-privileges model. Each grant was a specific discretionary decision by the political representatives of the community."). And in both England and the colonies, the scope of the patent right was determined on a case-by-case basis. *See id.* at 212-13 ("No one [in the colonies] could assert a right for a patent. Rather, one had to petition the legislature, offer specific public benefits, and pray for a special enactment that would create

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according to the will and convenience of the society, without claim or complaint from anybody." Letter from Thomas Jefferson to Isaac McPherson (Aug. 13, 1813), *reprinted in* 3 THE FOUNDERS' CONSTITUTION 42 (Philip B. Kurland & Ralph Lerner eds., Univ. of Chicago Press 1987).

particular privileges."); EDWARD C. WALTERSCHEID, THE NATURE OF THE INTELLECTUAL PROPERTY CLAUSE: A STUDY IN HISTORICAL PERSPECTIVE 56 (2002) ("patent custom in the colonies . . . came to be predicated largely on the activities of local assemblies and legislatures"); *id.* at 58 (noting that no State ever adopted a general patent statute).[5]

If neither the Constitution nor the common law prescribes specific contours to patent rights, then the responsibility of defining the right falls to Congress, exercising its express authority to do so granted by the Intellectual Property Clause. And that is what Congress did: It determined that "patents shall have the attributes of personal property," but only "[s]ubject to the provisions of" Title 35 of the U.S. Code – which includes the statutory provisions authorizing *inter partes* review. 35 U.S.C. §§ 261, 311-319.

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[5] Some of petitioner's *amici* cite isolated statements indicating that intellectual property rights historically were understood as Lockean natural rights. *See, e.g.*, Greene's Energy Br. in Opp. 9-10; 27 Law Professors Br. 14. *Amici* are correct that this view became increasingly prevalent in legal writing as the nineteenth century progressed. *See* Herbert Hovenkamp, *The Emergence of Classical American Patent Law*, 58 ARIZ. L. REV. 263, 271 (2016) ("[d]uring the Jackson era, the patent gradually became rebranded as a set of 'property' rights"). But it would be ahistorical to retroactively apply such sources to understand the original public meaning of the Intellectual Property Clause when the Constitution was ratified. Madison's notes from the Convention indicate that the Intellectual Property Clause was approved "nemine contradicente" – without debate – and it is implausible to conclude that the Framers substituted a radically new understanding of patent rights for the one that had universally prevailed in England and the colonies. *See* 5 DEBATES ON THE ADOPTION OF THE CONSTITUTION AS REPORTED BY JAMES MADISON: SUPPLEMENTARY TO ELLIOT'S DEBATES 510-12 (Jonathan Elliot ed., 1836), *available at* http://lf-oll.s3.amazonaws.com/titles/1909/1314.05_Bk.pdf.

For this reason, the refrain from petitioner and its *amici* that patents are private property rights, *e.g.*, Pet. Br. 28-29, is insufficient to resolve the question at hand. There is no general principle that the grant of a property right must be absolute or unqualified; property rights can be limited in countless ways under common and statutory law, provided that those limits are imposed by the grantor at the time it makes the grant. *See, e.g.*, *Magoun v. Illinois Trust & Sav. Bank*, 170 U.S. 283, 288 (1898) (explaining that "the authority which confers [a privilege] may impose conditions upon it"); *Cowell v. Colorado Springs Co.*, 100 U.S. 55, 57 (1879) (applying common-law rule "that the owner of property has a right to dispose of it with a limited restriction on its use," where those restrictions are not "repugnant to the estate granted"). Neither petitioner nor its *amici* adequately explain why Congress cannot issue patents subject to an express statutory reservation that the Patent Office may reexamine the patent to ensure that it meets the same statutory requirements that were applied when the patent first was granted.

Put another way, when Congress crafted the bundle of sticks that comprise the property interests conveyed by a patent, Congress did not (and had no obligation to) include a stick that a grantee could later brandish at the Patent Office to prevent that agency from ever reconsidering its decision. Because the legislature can withhold patent rights altogether, it can take the lesser step of limiting the scope of the rights it chooses – at least where, as here, there are no other constitutional or common-law property rights to contend with and Congress could reasonably conclude that doing so would further "[p]rogress" in "the useful Arts." And, as the government points out (at 44), every U.S. patent currently in force

was issued at a time when the Patent Office was authorized to cancel patents as improperly granted, including though *ex parte* reexamination proceedings initiated by the Director of the Patent Office.[6] 35 U.S.C. § 303(a). If inventors did not like the bargain that Congress was offering, they had the option to forgo a patent.[7]

It also bears emphasis that nothing in the Constitution restricts Congress from delegating to the Patent Office the authority either to issue patents in the first instance or to reexamine already-issued patents. The authority to issue patents has been delegated to the Executive since the Patent Act of 1790 – before even the enactment of the Bill of Rights.[8]

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[6] Every patentee who received a patent after 2011, when Congress authorized *inter partes* review, was specifically aware that their patent would be subject to *inter partes* review. Petitioner has not argued that *inter partes* review merely presents a retroactivity problem, nor could it because *inter partes* review does not alter the substantive standards of patent eligibility. The Patent Office applies the same legal standard in *inter partes* review that was applied during the initial examination, and thus *inter partes* review does not change the patentee's substantive entitlement to a patent under the Patent Act.

[7] Because Congress is constitutionally empowered to define the scope of the patent right, this case does not present the issue that concerned the dissenters in *Wellness International Network, Ltd. v. Sharif*, 135 S. Ct. 1932 (2015). In *Sharif*, the property at issue – a claim for debt – existed "'without regard to any bankruptcy proceeding.'" *Id.* at 1941 (quoting *Stern v. Marshall*, 564 U.S. 462, 499 (2011)). In other words, it was a pre-defined common-law right, unlike a patent right whose scope is defined by Congress and that historically has been revocable by the Patent Office. *See* Gov't Br. 38-45.

[8] The Patent Act of 1790 authorized a patent board comprised of the Secretary of State, the Secretary of War, and the Attorney General to issue patents. *See* Act of Apr. 10, 1790, ch. 7, § 1, 1 Stat. 109, 109-10. The First Congress's decision to allocate

And, as the government has shown (at 38-45), there is a long tradition of non-judicial patent cancellation.

In sum, because patent rights are creatures of statutes enacted pursuant to an express constitutional authority granted to Congress, they are not analogous to traditional property rights with a common-law heritage. Congress therefore has broad authority to decide the scope of the property right conveyed by a patent, including the circumstances under which the Patent Office can review whether a patent was improperly granted.

B. Patents Pose Unique Risks to the Property and Contract Rights of Others

Because "[t]he patent law was designed for the public benefit, as well as the benefit of inventors," *Shaw v. Cooper*, 32 U.S. (7 Pet.) 292, 320 (1833), Congress has a responsibility to protect the public's "paramount interest in seeing that patent monopolies . . . are kept within their legitimate scope," *Precision Instrument Mfg. Co. v. Automotive Maint. Mach. Co.*, 324 U.S. 806, 816 (1945). Indeed, Congress must protect not only the public in general but also the individual rights of those who may be accused of infringing newly granted patents. When "it creates new property rights the state necessarily limits the

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this authority to three of the highest-ranking officers in the Executive Branch underscores that the original understanding of the Intellectual Property Clause was that patents would be issued in furtherance of the national interest and at the discretion of those at the very highest levels of government – not in recognition of the natural rights of the inventor. *See* Bracha, *The Commodification of Patents*, 38 LOY. L.A. L. REV. at 221 ("It is much more plausible that [the patent board] was envisioned as a body that represented the most important national interests and was vested with a substantive discretionary power to make policy decisions in the grant of patents.").

common law liberty or property rights of other citizens, for conduct which was once legal now becomes an invasion, or an infringement, of the new set of rights that are established." Richard A. Epstein, *No New Property*, 56 BROOKLYN L. REV. 747, 754 (1990) (recognizing that the "creation of . . . patents is in derogation of common law rights of property and labor"). *Inter partes* review serves to ensure that the rights of such innocent bystanders are affected no more than is necessary to promote the progress of the useful arts.

The broad scope of patent infringement enables patents to restrict the liberty even of infringers that commit nothing resembling a trespass or any form of common-law tort against the patentee. A manufacturer can receive a notice of infringement at any time alleging that its products can no longer be lawfully sold because they infringe a patent issued without the manufacturer's knowledge to an unknown grantee on the other side of the country. Neither genuine ignorance nor even due diligence in seeking to respect others' patent rights is a defense – at most, such matters may help the manufacturer to avoid being penalized by enhanced damages. *See Halo Elecs., Inc. v. Pulse Elecs., Inc.*, 136 S. Ct. 1923, 1929 (2016). The disruption to reasonable investment-backed expectation inherent in such a system far exceeds anything present in the traditional common-law property model of respecting others' possessions and staying off their land.

To be sure, some degree of disruption is an inevitable consequence of a system that rewards genuine innovation with exclusive rights in that innovation. And when the patent system functions as Congress intended and the Patent Office makes correct deci-

sions, that disruption is minimized by the statutory requirements that patents be granted only for novel and nonobvious inventions. By restricting patents to novel inventions, the Legislative and Executive Branches avoid the destruction of property interests and contract rights already held by those who make, use, or sell the patented invention. Likewise, by prohibiting the patenting of obvious inventions, Congress has limited exclusive rights to those inventors who offer the public a meaningful benefit (genuinely new knowledge) in exchange for the patent monopoly. *See* Gov't Br. 19 (novelty and non-obviousness have "constitutional underpinnings" because Congress's authority to grant patents is limited to the purpose of promoting the "useful Arts").

Patents that lack novelty or are obvious – the sort that are targeted by post-grant procedures such as the *inter partes* review decision – therefore undermine the bargain at the heart of the patent system itself. Such procedures thus should not be viewed merely as a threat to property rights, as though the interest of patent holders were the only ones at stake. They are instead an important means to reduce the risk that an improperly granted patent will – against express statutory instructions – intrude on property and contract rights that the public lawfully has acquired in non-novel or obvious inventions.

C. *Inter Partes* Review Reflects the Proper Separation of Powers

The Patent Office's ability to correct its own errors also reflects the appropriate separation of powers by avoiding conflict and reducing friction between the Executive and Legislative Branches. Because the requirements for patentability are a matter of statutory law, *see, e.g.*, 35 U.S.C. §§ 102-103 (novelty and

non-obviousness), every patent that the Patent Office grants in error is a violation by the Executive Branch of a statutory command. Given the sheer volume of patents that the Patent Office must process, and the absence of any adversary presentation when patent examiners initially review patent applications, some errors are inevitable. But any statutory violation is nevertheless a problem that the Patent Office has a responsibility to correct, given its ultimate accountability to a President who must "take Care that the Laws be faithfully executed." U.S. Const. art. II, § 3.

It is thus unsurprising that Congress would elect to give the Patent Office a second chance to determine if an invention is actually, legally patentable, at a later time when the stakes of a dispute about patentability have become clearer. *See* Gov't Br. 12-13 ("Congress reasonably chose . . . to utilize a comparatively fast ex parte examination at the outset . . . while focusing more resource-intensive post-issuance review on a small class of patents that (1) are of questionable validity and (2) have sufficient commercial importance to induce a private petitioner to bring a challenge."); *cf.* Peter Huber, *Exorcists vs. Gatekeepers in Risk Regulation*, 7 REGULATION 23, 28 (Nov.-Dec. 1983) (arguing that certain agency regulatory decisions become more reliable when they are pushed back in time and made after the "pattern of harm" from the regulated activity has become "apparent or predictable"). Likewise, Congress is well within its authority to decide how best to identify patents worthy of a second look (by allowing members of the public to file petitions for *inter partes* review); how best to conduct the reevaluation (through an adversarial proceeding, albeit one that in "significant respects . . . is less like a judicial proceeding and more like a specialized

agency proceeding," *Cuozzo Speed Techs., LLC v. Lee*, 136 S. Ct. 2131, 2143 (2016)); and what type of judicial scrutiny should follow that renewed executive consideration (an appeal to the Federal Circuit using ordinary procedures for judicial review of administrative action).

Petitioner attempts to avoid that conclusion by arguing that it is the exclusive mandate of the "Judicial Branch" "to examine whether Executive Branch actors have complied with the laws of the United States," so that an effort by the Patent Office to ensure that it has complied with the Patent Act becomes an "exercis[e of] the judicial power." Pet. Br. 38. But this Court has never said that the potential for judicial review relieves the Executive Branch of the duty to ensure its own compliance with the law. To the contrary, it is a fundamental principle of such review that "a government agency such as the [Patent Office] [i]s presumed to do its job," *Microsoft Corp. v. i4i Ltd. P'ship*, 564 U.S. 91, 97 (2011), and that principle is the original source for the presumption that patents are valid when their validity is challenged in district court. To say that the Patent Office has no continuing interest in ensuring that it gets patent applications right would turn this area of law on its head.

II. THIS CASE IS NOT A GOOD VEHICLE TO RECONSIDER PUBLIC-RIGHTS DOCTRINE

The particular features of patent law described in Part I – including the historical and constitutional status of patents as creatures of statutory rather than common law, the potential for erroneous patent grants to infringe on the public interest and the rights of third parties, and the ongoing responsibility of the Patent Office to ensure its own compliance

with the Patent Act – combine to make this area of law a particularly unsuitable place to begin any reconsideration of the public-rights doctrine. And, as Greene's Energy and the government have ably shown, unless that doctrine is reconsidered, this case becomes an easy one. *See* Greene's Energy Br. 29-39; Gov't Br. 16-18, 32-36.

If the Court were to use this case to undertake a reconsideration of public-rights doctrine, doing so would raise questions going significantly beyond whether *inter partes* review is itself unconstitutional. If, as petitioner posits, the Constitution mandates that an initial patent issuance proceeding is the one and only time that the Executive Branch may assess the validity of the patent, would it be consistent with the Due Process Clause for the Executive Branch to make that determination without giving any process to those who stand to lose property and contract rights – in which they may have invested far more than the patentee – as a result of a determination that the patent should issue? Alternately, given that the Patent Office cannot and does not offer process to third parties who may in the future be accused of infringement, how can a one-time-only *ex parte* determination create a presumption that accused infringers must overcome with clear and convincing evidence?

The existing statutory scheme resolves these questions with attention to the rights of everyone involved: initial patent examinations are conducted *ex parte*, later opportunities are available for the agency to correct any errors it may make, with the benefit of input from affected parties, and judicial review is conducted under the settled presumption that the agency has done its job correctly. Unraveling one

part of that scheme, by imposing a constitutional limit on the Patent Office's authority to correct its own mistakes, would raise serious questions about the rest. The Court should not take that step in this case.

CONCLUSION

The Court should affirm the judgment of the Federal Circuit.

Respectfully submitted,

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